



State of Idaho

Legislative Services Office

Management Report

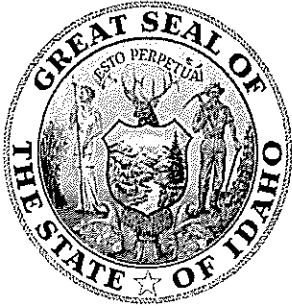
A communication to the Joint Finance-Appropriations Committee

DIVISION OF FINANCIAL MANAGEMENT

FY 2008, 2009, AND 2010

Report MR18010
Date Issued: November 30, 2011

Serving Idaho's Citizen Legislature



Idaho Legislative Services Office
Legislative Audits Division

Don H. Berg, Manager

DIVISION OF FINANCIAL MANAGEMENT

SUMMARY

PURPOSE OF MANAGEMENT REVIEW

We conducted a management review of the Division of Financial Management covering the fiscal years ended June 30, 2008, 2009, and 2010. Our review covered general administrative procedures and accounting controls to determine that activities are properly recorded and reported.

The intent of this review was not to express an opinion, but to provide general assurance on internal controls and to raise the awareness of management and others of any conditions and control weaknesses that may exist and offer recommendations for improvement.

CONCLUSION

We did not identify any significant conditions or weaknesses in the general administrative and accounting controls of the Office.

FINDINGS AND RECOMMENDATIONS

There are no findings and recommendations in this report or the prior report.

AGENCY RESPONSE

The Division has reviewed the report and is in general agreement with its contents.

FINANCIAL INFORMATION

The following financial data is for informational purposes only.

DIVISION OF FINANCIAL MANAGEMENT – FINANCIAL SUMMARY FY 2010

Fund	Description	Beginning Cash/ Appropriation	Receipts and Transfers In	Disbursements and Transfers Out	Ending Cash/ Appropriation
0001	General Fund	\$1,432,683	\$0	\$1,429,036	\$3,647 *
0125	Indirect Cost Recovery - SWCAP	0	23,260,917	23,260,917	0
0349	Miscellaneous Revenue	37,748	28,058	54,334	11,472
	Total	\$1,470,431	\$23,288,975	\$24,744,287	\$15,119

* General Fund ending balance of \$3,647 was reverted.

This report is intended solely for the information and use of the State of Idaho and the Division of Financial Management and is not intended to be used by anyone other than these specified parties.

We appreciate the cooperation and assistance given to us by the administrator, Wayne Hammon, and his staff.

ASSIGNED STAFF

Patrick Aggers, CPA, CFE, Managing Auditor

Brinton Croff, CPA, Staff Auditor

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AGENCY RESPONSE



Idaho Division of
Financial Management
Executive Office of the Governor

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C.L. "BUTCH" OTTER
Governor

WAYNE L. HAMMON
Administrator

November 10, 2011

Mr. Don H. Berg, CGFM
Manager, Legislative Audits Division
Legislative Services Office
Statehouse Mail
Boise, Idaho

SUBJECT: Audit of FY 2008, 2009, and 2010

Dear Mr. Berg:

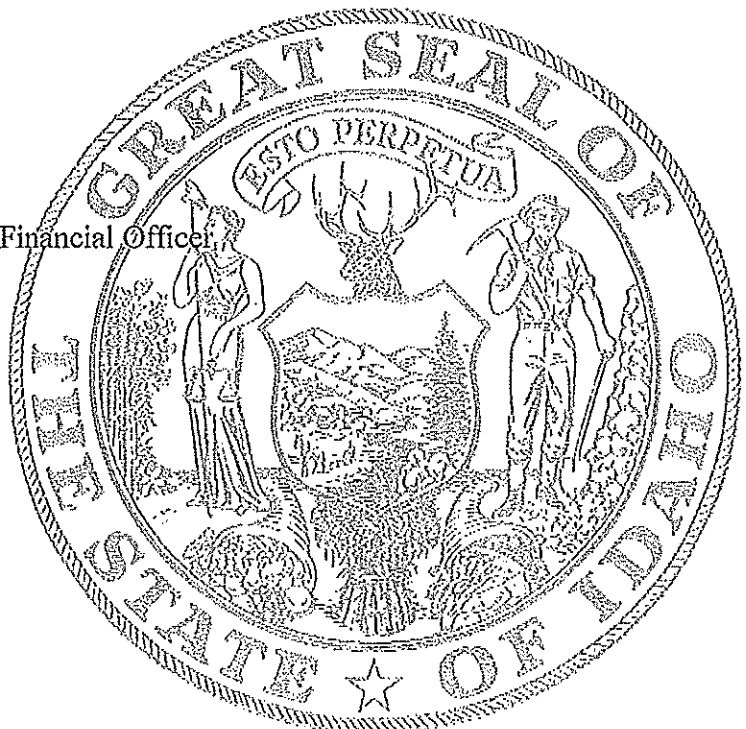
I would like to thank your staff, Managing Auditor Patrick Aggers and Staff Auditor Brinton Croff, for their professionalism during the "internal control" audit work for the Division of Financial Management. The Division of Financial Management concurs with the Management Report on Internal Control.

As always it is a pleasure to work with your staff and yourself. We appreciate your assistance and professionalism.

Sincerely,

A handwritten signature in dark ink, appearing to read 'D. Fulkerson', written over a horizontal line.

David Fulkerson, Deputy Administrator/ State Financial Officer
Executive Office of the Governor
Division of Financial Management



APPENDIX

HISTORY

The Division of Financial Management was created in 1980, as part of the Executive Office of the Governor. The Division's primary function is to assist the Governor in his duty as Chief Budget Officer of the State. This assistance is carried out by three functional units within the Division – the Budget Bureau, the Economic Analysis Bureau, and the Management Services Bureau.

ORGANIZATION

The Budget Bureau provides analyses and recommendations to the Governor on both budget-related policy issues and all legislation. The Bureau is also responsible for the preparation of the executive budget and the explanation of detailed elements of that budget to the legislature.

The Economic Analysis Bureau is responsible for developing and maintaining economic and demographic forecasting capabilities for the State. The Bureau provides State government revenue projections and publishes economic projections and analyses on a regular basis.

The Management Services Bureau has two major responsibilities. First, it provides accounting services to the Division of Financial Management, the Governor's Office, the State Appellate Public Defender's Office, the Lieutenant Governor's Office, Office of Species Conservation, Division of Human Resources, and Office of Drug Policy. Second, the Bureau has primary responsibility for statewide issues involving federal guidelines such as cost allocation, single audit tracking, and cash management.

STATUTORY AUTHORITY

The statutory authority for the Division is Title 67, Chapters 19 and 35 of the Idaho Code.

FUNDING

The Division receives the majority of its funding from a State General Fund appropriation.

ORGANIZATION CHART

The Division's organizational chart is on the following page.

Executive Office of the Governor Division of Financial Management

